

Diesel and Alternative Fuels Tax

The Special Fuels Tax Act was repealed by the ninety-third Legislature with the passage of LB 1160 and was replaced with the Diesel Fuel Tax Act and the Alternative Fuel Tax Act. This legislation became effective on July 1, 1994.

Diesel fuel includes all combustible liquids suitable for use in diesel-powered motor vehicles. It does not include kerosene. Undyed diesel fuel is subject to tax when it is imported into the state. A taxable import occurs when: (1) the fuel is withdrawn from a Nebraska pipeline terminal facility; or (2) the fuel is

imported into Nebraska via truck or rail. Diesel fuel stored at a Nebraska pipeline terminal facility is not subject to the tax.

Undyed diesel fuel is taxed in the same manner as gasoline, upon receipt of the fuel as opposed to on the sale of the fuel.

Alternative fuel is defined as propane, compressed natural gas, liquefied petroleum gas, liquefied natural gas, electricity, and any other source of energy used to power a motor vehicle, except motor vehicle fuels and diesel fuel.

Table 20 — Diesel Fuel Net Taxable Gallons and Net Tax Due

MONTH	2004 TAXABLE GALLONS	2003 TAXABLE GALLONS	PERCENT INCREASE OR (DECREASE)	2004 TAX DUE	2003 TAX DUE	PERCENT INCREASE OR (DECREASE)
January	26,953,510	27,450,401	-1.81%	\$6,637,027	\$6,704,432	-1.01%
February	26,520,647	24,455,015	8.45	6,530,871	5,971,930	9.36
March	32,516,254	27,565,922	17.96	8,012,022	6,734,086	18.98
April	32,859,244	28,497,937	15.30	8,093,826	6,960,473	16.28
May	33,861,467	28,250,923	19.86	8,263,293	6,900,110	19.76
June	35,860,632	30,125,280	19.04	8,836,124	7,360,088	20.05
July	33,024,942	30,566,668	8.04	8,135,186	7,466,472	8.96
August	32,378,567	29,438,598	9.99	7,975,833	7,191,017	10.91
September	35,491,939	32,379,625	9.61	8,744,693	7,911,521	10.53
October	35,195,102	33,731,289	4.34	8,669,613	8,240,242	5.21
November	35,045,339	28,383,352	23.47	8,633,448	6,932,133	24.54
December	33,247,084	29,049,710	14.45	8,190,987	7,097,480	15.41
Total	392,954,727	349,894,720	12.31%	\$96,722,923	\$85,469,984	13.17%

Aircraft Fuels Tax

Aircraft fuels tax is imposed upon the importing, producing, refining, manufacturing, compounding, or blending of aircraft fuels in Nebraska for use, distribution, sale or delivery in this state. Aircraft fuels include aircraft gasoline, jet fuel, or any other fuel used exclusively for propelling aircraft.

The tax rate for aviation gasoline is five cents per gallon and the tax rate for aviation jet fuel is three cents per gallon. Revenue from the aircraft fuels tax is credited to the Department of Aeronautics Cash Fund.

Table 21 — Aircraft Fuel Net Taxable Gallons and Net Tax Due

MONTH	2004 TAXABLE GALLONS	2003 TAXABLE GALLONS	PERCENT INCREASE OR (DECREASE)	2004 TAX DUE	2003 TAX DUE	PERCENT INCREASE OR (DECREASE)
January	3,935,757	3,890,892	1.15%	\$116,056	\$114,798	1.10%
February	3,789,248	3,722,217	1.80	111,376	110,549	0.75
March	4,320,864	4,234,966	2.03	128,393	124,754	2.92
April	4,348,822	3,954,087	9.98	130,660	117,549	11.15
May	4,410,776	4,343,399	1.55	131,466	130,244	0.94
June	4,538,520	4,282,394	5.98	135,607	129,380	4.81
July	4,719,343	4,692,374	0.57	144,533	143,464	0.75
August	5,084,532	4,868,806	4.43	154,514	147,544	4.72
September	4,400,301	4,072,400	8.05	131,112	121,405	8.00
October	4,499,291	4,348,159	3.48	133,536	129,387	3.21
November	4,382,571	3,791,920	15.58	130,392	113,409	14.98
December	4,416,736	4,071,573	8.48	130,768	120,355	8.65
Total	52,846,761	50,273,187	5.12%	\$1,578,413	\$1,502,838	5.03%